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State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

May 28, 2013

Certified Return Receipt
7010 2780 0002 7254 0562

Bryce Christensen
Bryce Christensen Excavating
2052 East 3200 South
Bloomington, Utah 84790

Subject: Review of Reclamation Surety, Bryce Christensen Excavating, Rhyolite #1 Mine, S/021/0032, Iron County, Utah

Dear Mr. Christensen:

The last reclamation cost estimate for the Rhyolite #1 mine was done in 2010 and escalated to 2013 dollars. The surety amount needs to be adjusted to account for changes in reclamation costs.

Based on average reclamation costs, the surety amount needs to be increased from \$16,000 to either \$19,400 (3-year escalation) or \$20,300 (5 year escalation). The average reclamation costs are outlined below:

3-year escalation (2016)

Item	Qty	Unit Cost	Total Cost
1st Acre Disturbance	1	\$9,400.00	\$9,400.00
Add'l Acres Disturbance	2	\$5,200.00	\$10,400.00
TOTAL			\$19,800.00

5-year escalation (2018)

Item	Qty	Unit Cost	Total Cost
1st Acre Disturbance	1	\$9,700.00	\$9,700.00
Add'l Acres Disturbance	2	\$5,300.00	\$10,600.00
TOTAL			\$20,300.00

Please contact the bond coordinator, Penny Berry, at 801-538-5291 or by e mail at pennyberry@utah.gov for information about submitting the additional bond. Your current bond is in the form of a surety bond. You may submit a rider to the surety bond, or you may submit a letter of credit, a certificate of deposit, or cash for either the increase or for the full amount.



Bryce Christensen
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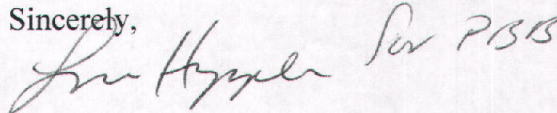
Bonding forms are available on the Internet at:
<http://www.ogm.utah.gov/minerals/MINERALSFORMS.htm>.

As an alternative to increasing the surety amount, the reclamation liability can be decreased by reclaiming a portion of the site and/or amending the Notice of Intention to Commence Small Mining Operations to show the decreased acreage. If you decide to pursue this option, please contact the lead inspector, Lynn Kunzler, at 801-538-5310.

Please provide the additional surety or perform the reclamation no later than August 1, 2013.

Thank you for your help in keeping the surety current. If you have any questions concerning this letter, please contact me at 801-538-5261 or Lynn Kunzler.

Sincerely,

A handwritten signature in cursive script, appearing to read "Paul B. Baker". To the right of the signature, the text "For PBB" is written in a similar cursive style.

Paul B. Baker
Mining Program Manager

PBB:lk:pb

cc: Ed Ginouves, BLM (eginouve@blm.gov)
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